

## Property Tax Deferral Program for Seniors

### Frequently Asked Questions (FAQs)

#### 1. What is the Property Tax Deferral Program for Seniors?

It is a voluntary program that provides property tax relief to eligible seniors in New Brunswick, by allowing those interested in the program to apply for a deferral of the payment of the annual increase in property taxes on their principal residence.

#### 2. What are the program requirements?

“Senior“: is defined as being age 65 or older, during the taxation year.

“Spouse“: includes common law partner.

- The property owner or his/her spouse must be age 65 or older.
- The property must be their principal residence.
- The property must be receiving the Provincial Residential Property Tax Credit.
- The property tax account must be paid in full (no tax arrears), as of December 31, prior to the year of application.

#### 3. How much property tax can be deferred in a given year?

Once you are registered in the program, the annual increase in your property taxes will be deferred. The increase in your annual property taxes is the difference between the tax imposed in the current year and the tax imposed in the base year.

Examples of eligible deferral amount:

2019 total property taxes	\$2,200
2018 total property taxes (base year)	<u>\$2,100</u>
Increase	\$100
Deferral for 2019	\$100

#### 4. Can I request that only a portion of the annual increases in my property tax be deferred?

No, only the full amount can be deferred.

## **5. Is there a maximum amount of tax that can be deferred?**

Yes, the total amount of tax that can be deferred is restricted to a maximum of 75% of the assessed value of the property.

## **6. Will interest be charged on the deferred taxes?**

Yes, any amount deferred under this program is subject to annual interest based on the 10-year Provincial borrowing rate (currently 3.07%). For applicants with a taxable family income of \$124,178 or more, the amount deferred will be subject to an annual interest rate of 8.07% for 2019.

## **7. How can I apply?**

Application forms are available at all Service New Brunswick centres, online at [www.snb.ca](http://www.snb.ca) or [www.gnb.ca](http://www.gnb.ca) (keyword: Finance), as well as through the Department of Finance, by calling 1-800-669-7070.

## **8. Can I apply on-line?**

You will find an application form online at [www.snb.ca](http://www.snb.ca) or [www.gnb.ca](http://www.gnb.ca) (keyword: Finance) which can be printed and mailed to:

Department of Finance  
Revenue Administration Division  
P.O. Box 3000,  
Fredericton, N.B.  
E3B 5G5

You can also drop off your completed application at the nearest Service New Brunswick office.

## **9. Is there a deadline to apply?**

Yes. You must apply by December 31<sup>st</sup> of the taxation year in which you want to start deferring the annual increases in your property tax

## **10. Do I have to apply for the program each year?**

No. Once a property is registered, it will remain in the program until withdrawn or deregistered.

## **11. Other than completing the application form, is there any other documentation required?**

Yes. You must provide proof of your age at the time of application (either a copy of your birth certificate or drivers licence). If you are applying as a surviving spouse you must provide a copy of the Death Certificate of your spouse.

**12. Do I have to be a New Brunswick resident to be eligible for the program?**

Yes. You must be a New Brunswick resident and meet all other program requirements to be eligible for the program.

**13. How will the amounts deferred be recorded?**

For tax deferrals related to the 2019 property tax increases, the department of Finance will issue written confirmation of the amounts deferred. For subsequent years, the total taxes deferred under the program, including the interest, will be reflected on your annual property tax bill.

**14. Why am I signing a declaration on the application form?**

The purpose of signing the declaration is to allow the department of Finance to confirm the information you have provided with the appropriate organizations. The information will not be shared with anyone else. The application will not be considered complete if the declaration is not signed. You should be aware that it is an offence to make a false statement.

**15. Where can I call for information?**

You may call 1-800-669-7070 for information on this program.